

EXHIBIT T

Redacted

From: [Eichner, Matthew \(Board\)](#)
To: [Armstrong, Christopher D](#)
Cc: [Van Der Weide, Mark \(Board\)](#); [Gibson, Michael \(Board\)](#); [Lehnert, Andreas \(Board\)](#); [Reeve, Trevor \(Board\)](#); [Smith, Michelle \(Board\)](#); [Robertson, Linda \(Board\)](#); [Gallagher, Jennifer \(Board\)](#); [Winerman, Evan \(Board\)](#); [Smith, Gavin \(Board\)](#); [Hobbs, Benjamin \(Board\)](#); [Mills, David \(Board\)](#); [Walker, Jeff \(Board\)](#); [Wilson, Kathy \(Board\)](#); [Turman, Larkin \(Board\)](#); [Kiley, Michael \(Board\)](#); [Mukasa, Namirembe \(Board\)](#); [DeBoer, Margaret \(Board\)](#); [Malloy, Matthew \(Board\)](#); [Demartini, Courtney \(Board\)](#); [Mahar, Molly \(Board\)](#); [Jain, Kavita \(Board\)](#); [Williams, Suzanne \(Board\)](#); [Ives, Koko \(Board\)](#); [Lucier, Jennifer \(Board\)](#); [Danburg, Sonja \(Board\)](#); [Caron, Emily \(Board\)](#); [Hinkle, Jason \(Board\)](#); [Shukla, Sushmita](#); [Benvenuto, Suzanne](#); [Saxenian, Margaret](#); [Bridgewater, Claudette](#); [Torregrossa, Joseph R](#); [Denicola, Robert J](#); [Brennan, Michael M](#); [Maru, Sishush](#); [Silva, Edward](#); [Langhorne, Magali](#); [Waters, Nikki \(Board\)](#)
Subject: Re: S-Letter - Banco San Juan Internacional
Date: Wednesday, April 12, 2023 11:53:28 AM

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Hi Chris,

Thank you for providing the pre-decisional memo reviewing Banco San Juan Internacional's (BSJI) existing access to a Reserve Bank master account and Reserve Bank financial services (access).

As you are aware, on August 15, 2022, the Board announced *Guidelines for Evaluating Account and Services Requests* (Guidelines) to be applied by Federal Reserve Banks. The Guidelines are designed to support consistency in approach and decision-making across Reserve Banks, while recognizing the discretion granted to the Reserve Banks under section 13 of the Federal Reserve Act to grant or deny access requests or to take action on existing access relationships.

In addition, the Board has approved a policy establishing implementation procedures for the Guidelines (S-letter 2667). Under S-letter 2667 the Board expects the Reserve Banks to consult, as appropriate, with Board staff to provide insight into application of the Guidelines to certain requests and to further support consistency in decision-making across Reserve Banks.

Consistent with S-letter 2667, the Federal Reserve Bank of New York (Reserve Bank) provided to Board staff its pre-decisional analysis of BSJI's existing access. Board staff have reviewed the Reserve Bank's record documenting application of the Guidelines in evaluating the risks of BSJI's access. We have no concerns with the Reserve Bank's application of the Guidelines to BSJI's and with it moving forward with its intended action to terminate BSJI's access based on this analysis.

Let us know if Board staff can be of additional assistance in this matter.

Regards,
 Matt

From: Armstrong, Christopher D <christopher.armstrong@ny.frb.org>
Sent: Thursday, April 6, 2023 6:00 PM
To: Matthew Eichner <matthew.j.eichner@frb.gov>
Cc: Jason Hinkle <jason.a.hinkle@frb.gov>; Benjamin Hobbs <benjamin.hobbs@frb.gov>; Gavin

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Subject: S-Letter - Banco San Juan Internacional

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Good evening, Matt.

In accordance with S-letter S-2667 of the Board of Governors of the Federal Reserve System ("Board"), we are notifying you of the intent of the Federal Reserve Bank of New York ("New York Fed") to terminate the access of Banco San Juan Internacional ("BSJI") to New York Fed accounts and services. Attached to this email are two memorandums that support the New York Fed's decision to terminate BSJI's access to New York Fed accounts and services: (1) a memorandum of the New York Fed's Reserve Bank Accounts and Services function ("RBAS"), describing the reasons for terminating BSJI's access to New York Fed accounts and services; and (2) a memorandum of the New York Fed's Compliance Function ("Compliance"), documenting its assessment of the risk posed by BSJI under principle 5 of the Board's Guidelines for Evaluating Account and Services Requests ("Guidelines"). For your convenience, we have included in this email a description of BSJI and a summary of the New York Fed's reasoning for terminating BSJI's access to New York Fed accounts and services. Please let us know if you would like additional information on the matters covered below or in the two attachments.

BSJI is an International Banking Entity organized under the laws of Puerto Rico and licensed by the Puerto Rico Office of the Commissioner of Financial Institutions ("OCIF"). BSJI is an existing New York Fed accountholder that has maintained a master account with the New York Fed since April 2, 2012 and has access to the Fedwire Funds Service and Federal Reserve check services. BSJI does not have federal deposit insurance and is not subject to prudential federal supervision. As a result, BSJI is a tier 3 institution under the Guidelines and is thus subject to the strictest level of review for existing account holders against the principles in the Guidelines.

BSJI is subject to ongoing risk monitoring by the New York Fed in accordance with its Account and Financial Services Handbook ("Handbook") and Supplemental Terms and Conditions Governing the Provision of Financial Services to High-Risk Customers ("Supplemental Terms"). Among other things, BSJI is required to provide to the New York Fed annual independent consultant assessments of its Bank Secrecy Act ("BSA")/Anti-Money Laundering ("AML") and Office of Foreign Assets Control ("OFAC") compliance program and respond to requests for information from the New York Fed regarding any information or activity that indicates BSJI may pose a risk to the New York Fed.

Through its ongoing risk monitoring of BSJI, the New York Fed has concluded that BSJI does not meet principle 5 of the Guidelines because it poses undue risk to the overall economy by facilitating activities such as money laundering, economic or trade sanctions violations, or other illicit activity. The New York Fed has also concluded that existing Reserve Bank risk controls would not be an effective way of managing the undue risk posed by BSJI. As described in the memorandums attached to this email, in reaching these conclusions, the New York Fed considered information listed in the Guidelines and the Federal Reserve System's Internal Implementation Handbook: (1) the 2022 annual independent consultant assessments of BSJI's BSA/AML and OFAC compliance program, which include an analysis of BSJI's BSA/AML and OFAC policies, procedures, and risk assessments, and (2) numerous red flags identified in BSJI's Fedwire Funds Service transaction

activity. As described in Compliance's memorandum, [REDACTED]
[REDACTED]

Given the undue risk posed by BSJI under principle 5 of the Guidelines—and as a result, the undue risk that BSJI poses to the New York Fed—and in light of the lack of effective risk controls, the New York Fed intends to exercise its contractual rights to terminate BSJI's access to New York Fed accounts and services.

Chris